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### **EXECUTIVE SUMMARY**

The Business Plan is about the manufacturing of Nutraceuticals from 'Tulsi Extract' looking at the growing opportunity of the nutraceuticals market in India.

Nutraceuticals refer to products that are derived from herbal products, minerals, vitamins, and dietary substances which are consumed for their physiological benefits or to boost immunity against diseases.

These products provide the basic nutritional value of food with additional health benefits. As a result of their beginnings, these products have minimal regulation over which products can use the terminology on their labels and are not subject to the same regulatory obligations as straight pharmaceuticals. There are two principal product types under nutraceuticals; the first is functional foods and the second is vitamins, minerals, and supplements (VMS).

As the nutraceuticals market in India is divided into functional food, beverages and dietary supplements, the functional food includes items such as breakfast cereals, and fortified flour, functional beverages include commodities like sports drinks, fortified juices, and glucose. Dietary supplements, which constitute over 65 percent of the Indian nutraceuticals market, include commodities such as macronutrients, herbal and non-herbal extracts. It is this segment that draws major competition and is the home ground to firms like Amway, Himalaya, Dabur and Emami. This segment is growing at a rate of 17 percent, and hence, will drive the growth of the market.

As nutraceuticals offer opportunities for pharmaceuticals companies to make their products more consumer-oriented, and for food producers to create brands with a medical image, this convergence of medicine, food and technology is further likely to provide impetus to the food processing industry and retail sector in India, which are slated to rise to over US\$958 billion by 2025 and US\$1.7 trillion by 2026, respectively. Further, the nutraceuticals sector has also been opened up significantly to attract foreign investments: 100 percent FDI is permitted in the manufacturing sector under automatic route, and such entities are allowed to sell their products through wholesale, retail or e-commerce; 100 percent investment is also allowed under automatic route for pharmaceutical entities under greenfield investments, while it is 74 percent for brownfield investments, with government approval required beyond 74 percent.

Similarly, 100 percent FDI through government approval is allowed in food retailing with respect to food products manufactured in India.

Despite the foreign origins of the word 'Nutraceuticals', what it entails is indigenous to India. India has a rich heritage of herbal medicines and supplements, which have found resonance in our mythology and folklore. The nutraceuticals market in India is expected to grow from \$ 22 billion in 2021 to \$ 48 billion in 2025 in the backdrop of rising demand for dietary supplements from the upper and middle classes.

Transformations in food habits, less physical work, and more desk jobs have made people more vulnerable to lifestyle ailments. The average urban & semi-urban Indian is becoming more conscious about health & fitness. This is providing a massive growth opportunity for Nutraceuticals Industry in India. Lack of timely and nutritious food has led to an increased rate of malnutrition, even among the urban and affluent sections of society, leading to a deficiency of micro-nutrients. These deficiencies have led to a rise in nutritional supplements. An increase in consumer awareness of health problems and their urge to take preventive steps has been driving the nutraceuticals industry. Increasing costs of hospitalization and complex procedures arising out of avoidable conditions are driving consumers towards health supplements and nutraceuticals.

The adage, 'prevention is better than cure' is now well etched into the minds of consumers. As a result, nutraceuticals are now looked upon as important supplements that are on the priority list. Furthermore, India has also seen an increase in wealth as a result of which, its middle-income and high-income households will drive nearly US\$ 4 trillion of the country's incremental consumption by 2030.

India's unique advantage of rich heritage and knowledge, availability of raw materials, growth in herbal extract manufacturers, and a strong presence as a preferred supplier in many export markets make it a formidable contender in the global nutraceuticals market.

Hence looking at this current scenario looking at a startup plan with the manufacturing of Nutraceuticals is a good opportunity for the company to grow in the Indian Market.

## **INTRODUCTION**

**NutriTulsi LLC.** is a company which manufactures and markets Nutraceuticals capsules from Tulsi Extract.

Tulsi herb is known to help in supporting immunity, being a potent adaptogen and having an antioxidant effect. NutraHealth Tulsi has assured levels (2%) of the beneficial active ingredient, Ursolic Acid, which is present in the extract of the aerial part of organic Tulsi herb.

Tulsi also referred to as Ocimum sanctum or Holy Basil, is a medicinal herb that belongs to the mint family and is found in 150 different varieties worldwide. It emits a sort of spicy scent when applied to a wound and this is the reason as to why it is called the wonder herb. It usually has a bitter taste and its roots, leaves and seeds consist of several medicinal properties.

Tulsi is called the queen of all herbs; it is used widely in Ayurvedic and naturopathic medicines which helps in the healing of the human body in a natural manner. Not only do Tulsi leaves benefit people, but its flowers too. Tulsi can help you get rid of many health problems ranging from fever to kidney stones. Ayurvedic texts have also categorized the wonder herb as a stimulant, antipyretic and aromatic in nature.

#### **Types of Tulsi:**

There are three different types of Tulsi or holy basil namely:

#### 1. Rama Tulsi:

Rama Tulsi is also called green leaf tulsi and this is a different type of tulsi breed that has light purple flowers and has clove-like scent to it. It consists of eugenol which is usually found in cloves and has a mellow flavor. **2. Krishna Tulsi:** 

This type of Tulsi is also called purple leaf tulsi and has a clove-like aroma. It tastes like pepper in your mouth. This type of tulsi helps cure infections such as throat infections, respiratory problems, earaches, and skin diseases. The oil from Krishna Tulsi is used as ear drops.

It is also used to cure malaria, indigestion, insomnia, and cholera.

#### 3. Vana Tulsi:

Vana Tulsi is a native to India, Sri Lanka, and the Northeastern parts of Africa. This type of tulsi is usually grown for medicinal purposes and it is imbibed into Indian religious beliefs. This type must be protected from freezing and will grow in conditions that have full sun and dry areas. It has light green leaves that are accompanied by a lemony aroma and flavor. Vana Tulsi leaves increases immunity and this is usually used for preparing tea. When consumed in the form of tea, it provides health benefits such as increased physical and mental endurance and adds more oxygen and nutrients to your bloodstream.

Our company, NutraHealth Pvt. Ltd. will be using Vana Tulsi which is native to India, and it is usually grown for medicinal purposes these leaves increase immunity and provide health benefits by adding more nutrients to your body.

#### Benefits of Tulsi:

Allopathic medicines give instant relief but come with a lot of side effects. Holy basil or Tulsi offers slow relief but you can be sure that there are no side effects and that is the reason why it is called the wonder herb. A single Tulsi plant can help you get rid of many health issues such as.

#### 1. Tulsi for Skin:

Tulsi is proven to be the safest skin cream that can be used and the benefits are massive. Tulsi reflects on your skin when you consume it as well as applied. This wonder herb is used to treat acne, and skin infections, lighten dark spots, and improve skin texture. Here is a list of benefits that tulsi does to your skin.

- Tulsi helps in skin brightening
- Tulsi helps in curing acne

- Tulsi
- Tulsi

mixed with eggs and mixed can help in tightening skin pores helps in curing skin infections and any sort of skin allergies

#### 2. Tulsi for Hair:

Holy Basil can be applied to your hair for multiple reasons and all that it does is it makes your hair look better in all ways. Here are some of the ways in which tulsi can benefit your hair.

- Tulsi can prevent hair fall
- Tulsi can stop greying of hair and keep it thick and black
- Tulsi can stop dandruff
- Tulsi can prevent dry scalp

#### 3. Tulsi for Weight Loss:

Tulsi is a natural ingredient that aids weight loss. If you're wondering how to burn fat in a quick way without any side effects, then you need to opt for drinking tulsi tea. Two cups a day will make a difference. Also, you need to keep in mind that drinking tulsi tea will act more efficiently only if you work out. Of course, without exercising tulsi tea can slim you down, but exercising will make the process faster. Here are some ways in which tulsi can help you lose weight.

- Tulsi tea controls your metabolism and helps your body absorb essential nutrients
- Tulsi tea helps boost your digestive system which is important for losing weight quickly
- Tulsi tea has zero calories that boost your stamina

#### 4. Tulsi for Eyes:

Your eyes are prone to a lot of dust and pollution every day. Thus, for most people who develop eye-related problems, Tulsi acts as an immediate cure for eye-related problems such as:

• Tulsi soothes the eye

- Tulsi
- Tulsi

leaves left in boiled water overnight can be used to wash your eyes. eyewash can also reduce strain on your eyes

Most importantly, it reduces the strain on your eyes and makes them feel relaxed. Tulsi eyewash
can also help you prevent many other eye-related problems such as conjunctivitis and boils.

5.

#### **Tulsi Prevents Premature Ageing:**

Vitamin C & A and phytonutrients are essential oils that are found in Tulsi, and are used as excellent antioxidants that protect the body from premature aging. Consuming 2 cups of Tulsi tea can help you look younger and prevent premature aging.

#### 6. Tulsi To Quit Smoking:

Tulsi leaves can fight cancer and prevent it. The best aid to stop smoking is by munching tulsi leaves and this help get the nicotine content off your body. It helps in the purification of blood. Here are some ways in which tulsi can help you stop smoking.

• Every time one gets the urge to smoke, chew Tulsi leaves • The person should make it a point to drink tulsi tea.

#### **Medical Use of Tulsi:**

Tulsi is called the wonder herb or sometimes the holy herb because of its medicinal properties. There are many diseases that can affect people again after it has left the person. But with the consumption of Tulsi, you can be sure that these diseases cannot affect you. Here are some of the ways in which tulsi can sort out many medical problems.

- Tulsi can cure fever
- Tulsi leaves are used to treat skin problems like acne, blackheads and premature ageing.
- Tulsi is used to treat insect bites
- Tulsi is also used to treat heart disease and fever
  is also used to treat respiratory problems is used to curing fever, common cold and
  sore throat, headaches and kidney stones

- Tulsi
- Tulsi
- Tulsi helps in treating Asthma
- In simple terms, Tulsi is the best natural painkiller and solution to many of your health problems. It can be called the ancient healer of all diseases. It helps generate healthy mother milk during lactation
- Natural Immunity Booster: Tulsi is rich in Vitamin C and zinc. It thus acts as a natural immunity booster and keeps infections at bay. It has immense anti-bacterial, anti-viral, and anti-fungal properties which protect us from a variety of infections. Tulsi leaves extract increases the T helper cells and natural killer cells activity, boosting the immune system.

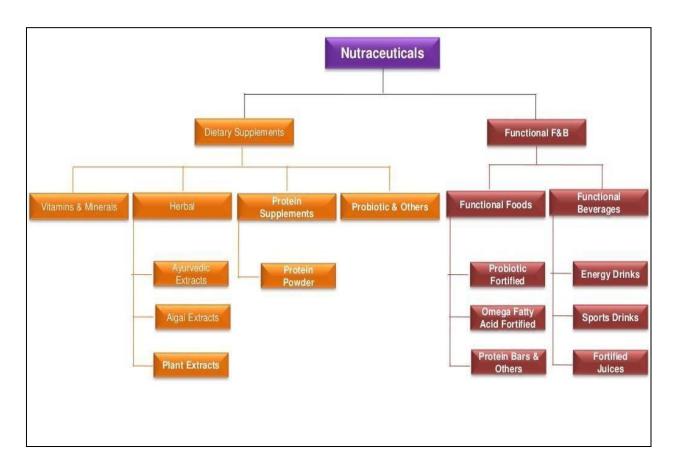


Fig 3: Classification of Nutraceuticals

#### **INDUSTRY OVERVIEW**

The global nutraceutical market size was valued at USD 454.55 billion in 2021 and is expected to expand at a CAGR of 9% over the forecast period. A favorable outlook towards medical nutrition in light of the increasing application for the treatment of cardiovascular disorders and malnutrition is likely to stimulate the growth of dietary supplements. Rising healthcare costs, coupled with the growing geriatric population across the world, are anticipated to assist the growth of the global functional food industry over the forecast period.

Growing consumer interest in a healthy diet has led to a thriving food and beverage market in the recent past and the trend is expected to continue over the forecast period. Demand for functional foods is on the rise as they are believed to impart exceptional health benefits owing to their nutrient content. This is further expected to boost the growth of the market for nutraceuticals.

Positive attitude of the consumers towards functional foods mainly on account of the added health and wellness benefits offered by these nutraceutical products is fueling the market growth. Growing geriatric population, increasing healthcare costs, changing lifestyles, food innovations, and expectations regarding their higher prices have aided the overall growth of the nutraceuticals industry. It has been reported that nine out of ten adults consume 55% minerals and over 50% vitamins in their daily diets.

Asia Pacific accounted for the major market share of 31.01% in 2021 and is likely to maintain its lead over the forecast period. Rising levels of disposable income, changing lifestyle, and shift in preferences for healthier dietary intake in emerging economies are expected to drive the demand for nutraceuticals in Asia Pacific. Brazil, China, and India are likely to expand at the fastest CAGR over the forecast period.

The global nutraceuticals industry has been witnessing key developments in terms of product innovation and portfolio expansion over the past few years. Public companies have been proactive in initiating strategies to gain a competitive advantage in the nutraceuticals industry. In the short term, privately-held market participants are expected to follow suit.

#### **Product Insights:**

With respect to product, the global nutraceutical market is categorized into dietary supplements, functional beverages, and functional foods. The functional beverages segment led the overall The

market for nutraceuticals in 2021, followed by functional foods and dietary supplements. Technological upgradation, coupled with product development, is projected to drive the functional beverage industry over the coming years.

For ingredient formulation, particle size reduction and microencapsulation techniques have extended the product offerings of nutraceutical manufacturers. Advancement in the production of novel ingredients to cover the unpleasant taste of omega-3 fatty acids and amino acids has also had a major impact on this segment's growth.

Sports drinks are gaining popularity among athletes and individuals involved in energetic physical activities. The millennial generation exponentially drives the sports drink market due to their high buying capacity, willingness to pay for health products, acute interest in sports, and growing inclination towards fitness activities.

The omega-3 fatty acids-based functional foods industry size is expected to reach USD 38.76 million by 2027, expanding at a CAGR of 9.3% from 2020 to 2027. Omega-3 is considered a hearthealthy fat that reduces the risk of heart disease. According to the statistics provided by America's Health Rankings, over 40% of U.S. citizens are not meeting the recommended requirement, thereby increasing the risk of heart disease.

#### Regional Insights:

Asia Pacific emerged as the key region in the market for nutraceuticals in 2021 on account of growing health concerns among consumers and increasing awareness regarding nutraceuticals. Additionally, growth in the aging population, changing spending patterns on healthcare products, and changing lifestyles have enhanced the growth of the nutraceutical industry in Asia Pacific. Vast product portfolio and government regulations on nutraceutical products are a few factors suppressing the nutraceuticals industry growth. However, the growing trend of food fortification with nutraceutical products is anticipated to create a growth opportunity for the nutraceutical industry.

Rising awareness regarding nutritional enrichment in China and India is expected to remain a favorable factor for the nutraceuticals industry growth. Furthermore, expansion of the retail market in countries, including China, Indonesia, Malaysia, and India, in light of regulatory support to promote investments is expected to increase the accessibility to buyers over the forecast period, thereby driving the market for nutraceuticals.

Varying lifestyle, along with rapid urbanization, has also led to consumer inclination towards healthy diet options, which is positively impacting the market growth for nutraceuticals. Vitamins are considered to be vital for the proper functioning of the human body and they also help in wound healing and prevention of various diseases. Additionally, a large vegetarian population of Asia Pacific prefers quality plant sources of proteins, subsequently fostering the growth of soy products.

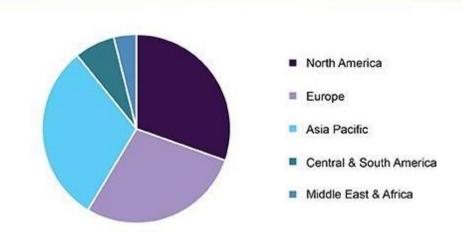


Fig1: Global Nutraceuticals Market Share by region, 2021 (%)

#### **Indian Nutraceutical Market:**

Currently, the USA, Japan and Europe account for more than 90% of the total global nutraceutical market. The global market should reach \$641.63 billion by 2023 from \$454.55 billion in 2025 at a compound annual growth rate (CAGR) of 9%. But with these global markets attaining maturity, the focus of nutraceutical players is now shifting towards developing economies, especially those across the Asia Pacific, including India. In 2021, the Indian market held only 5% market share of the global nutraceutical market and its estimated valuation stands at around \$22 billion in 2021. It is expected to reach \$48.7 billion by 2025, increasing at a CAGR of 21%. By 2025, India is also expected to hold at least 7.5% market share of the global market.

#### **Key Challenges faced by Nutraceutical segment in India:**

The FSSAI has consolidated a collection of earlier laws relating to food and nutraceutical safety and standards. However, no concrete regulations are in force and the government is still seeking draft suggestions.

Nutraceuticals and other health supplements are subject to 18% tax (with few categories even taxed at 28%), making these products considerably more expensive than before (when they were taxed at 12%).

Further since there is no regularized system for setting up manufacturing plants for nutraceutical products it becomes difficult for new players to enter the unknown territory. Lack of regulations also makes it difficult for them to avail subsidies. Nutraceutical companies themselves feel that regulations related to quality and safety will benefit the industry and will keep a check on unregulated practices.

#### **Demand Shift and Trends:**

With 67% share occupied by the nutraceutical market, it has bested the pharma dominated supplement market. Increased public understanding and health responsiveness have contributed to this shift in consumerism towards nutraceuticals. As per recent estimates, the nutraceutical market in India is significantly condensed in the South, followed by the East and is gaining serious traction in rural areas as well with the population there getting familiar with the concept of lifestyle diseases.

The market is poised to witness significant growth owing to the increase in demand for preventive healthcare and rise in medical treatment, which stimulates the demand for nutraceuticals containing products. Nutraceutical manufacturers and marketers are taking up the responsibility of educating the consumers by sharing detailed information about the product and its benefits and roles, while also bringing about a transparency and credibility among the consumers. This will go a long way to build a stronger category for Nutraceuticals as a health and wellness segment. Industry players are also undertaking a number of initiatives on their own, including a renewed focus on improved quality standards of the product, enhanced transparency, and competitive pricing for innovations. The Food Safety and Standards Authority of India (FSSAI) will soon ensure that regulations for nutraceuticals in India are at par with international standards thereby allowing new entrepreneurs to enter the nutraceutical field. This could lead to foreign investment provided the regulations are implemented as early as possible and there is clarity for new players, making the industry valuation double in a very short span of time. Thus, apart from the forecast growth of the industry,

nutraceuticals are set to become widely accepted and a common part of Indian households in the near future.

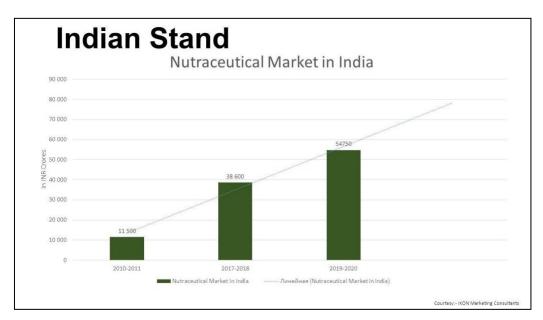


Fig 2: Indian Nutraceutical Market
REGULATIONS FOR NUTRACEUTICALS IN INDIA



The **Food Safety and Standards Authority of India (FSSAI)** regulate nutraceuticals through Food Safety and Standards Act (FSS Act) and the regulations framed thereunder.

As per the press note on nutraceuticals regulations issued by the FSSAI, India has notified the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, Functional Food and Novel Food) Regulations, 2016, in the Gazette of India on December 23, 2016. These regulations cover eight categories of food. These categories are as follows:

1. Foods for special dietary uses

- 2. Nutraceuticals
- 3. Health supplements
- 4. Foods for special medical purpose
- 5. Foods with added probiotic ingredients
- 6. Food with added prebiotic ingredients
- 7. Novel food
- 8. Specialty food containing plant or botanical ingredients

#### **Policy framework:**

While the nutraceuticals sector has good growth potential with a strong and growing demand, the industry in India lacks a dedicated law guiding the sector or rules that defines the composition of nutraceuticals. However, the gazette notification issued by FSSAI in recent times, states, these foods should "Consist of a composition delivering the desired level of energy, proteins, vitamins and minerals, and other essential nutrients required for the respective age group, gender and physiological stage in accordance with the guidelines made by the Indian Council of Medical Research."

# **COMPANY OVERVIEW**

Company Name: NutraHealth Pvt. Ltd.



NutraHealth Pvt. Ltd.

# **Business description:**

NutraHealth Pvt. Ltd. is a company which manufactures and supplies nutraceutical capsules made from Tulsi Extract which is a highly beneficial herb, trusted by all. The company provides products to the target population with high nutrition content. Our nutraceutical capsules provide further health benefits and they also act as immunity boosters. Our focus lies in providing optimum results to our customers.

<b>↓</b> Industry type	Production

<b>↓</b> Company type	Private, Independent
<b>Location</b>	Hinjewadi, Pune, Maharashtra
<b>↓</b> Area	4000 sq ft

# **VISION AND MISSION STATEMENT**

# **↓** Vision:

To provide access to a varied range of wellness products and supplements for to the maximum population to help people better their lives.

# **♣** Mission:

- **↓** To create value for our customers and stakeholders
- ♣ Provide health and wellness products to the maximum population by having an affordable price range
- ♣ To contribute to the well-being of our society

# **PRODUCT DETAILS**



- **♣** Product name: NutraHealth Tulsi
- ♣ Product Description: NutraHealth Tusli has assured levels of Tulsi extract drawn from Certified Organic Herbs. As per ancient literature backed by science, this herb is found to be effective for its adaptogenic and anti-oxidant properties. As a result, it helps to SUPPORT your IMMUNITY NATURALLY. Benefits Tulsi is known to help in: Supporting immunity being a potent adaptogen Having an antioxidant effect

# **Product Details:**

- Species: Ocimum sanctum
- Plant Part: Aerial Part
- Active Ingredient: 2% Ursolic acid (3.8 mg) present in the extract of the aerial part of Tulsi
- **Pack size:** 60N (Tablets)

- **MRP:** ₹649.00 for 60N
- **♣ Dosage**: One Tablet, 1-2 Times a Day
- **Restrictions:**
- 1. Please do not exceed the recommended daily dosage
- 2. Children under 12 years of age, pregnant or lactating women or anyone with a medical condition should consult with a physician before using this product

## **PRODUCTION OF THE CAPSULES**



Nutraceutical ingredients in extract form are privileged as they adapt to food supplements galenic principles while offering high standards of active substances.

While developing an extract, we will first see the potential of the plant and determine substances to be privileged. The raw material is selected for its contents of principle actives, then the process is optimized in order to obtain the best performance.

- **<u>4 Step 1:</u>** There are 3 steps in manufacturing extracts (Tulsi Extract from the ariel part of the plant):
- Percolation: The compounds of interest are soluble in solvents (water or ethanol).
- Evaporation: The extraction juice thus obtained is concentrated by eliminating solvents.
- Formulation: The extract is thus dried or placed on liquid support giving rise to the soughtafter galenic form (powder or liquid). For the tablets, we will produce a powder extract

- ♣ Step 2: The active Ingredient which is the Tulsi Extract with 2% Ursolic acid (3.8 mg) present in the extract of the aerial part Tulsi herb was filled in the capsule with the capsule filling machine.
- ♣ <u>Step 3:</u> Then, all ingredients along with the active ingredient were mixed following geometric mixing excluding glidant and lubricant thoroughly for 15min.
- **Let 4 Step 4:** The powder blend was now thoroughly mixed with magnesium stearate using octagonal blender machine followed by granulation. ■
- **Step 5:** Then it is filled into a 500mg capsule using a semi-automatic capsule filling machine and it was polished by a capsule polishing machine. **Step 6:** These filled capsules will be now packaged manually.

#### **TECHNICAL REQUIREMENTS**

## **Plant Capacity:**

Each bottle of NutraHealth Tusli contains 60 capsules. At the Initial level, we aim of producing 2500 bottles per month which are roughly 30,000 bottles per year. This will be done at the initial level considering we are new in the market. We will increase the manufacturing capacity in the upcoming years based on the market response.

## **Land Expense:**

Land of 4000 sq. ft. will be leased at Rs. 300 per sq. ft. annually. Rs. 12,00,000 annually.

## **EQUIPMENTS:**

Mixing Unit	
Octagonal Blending Machine	
Automatic capsule filling machine	
Capsule coating machine	
Packaging Machine	
Electronic weighing machine	
Total Cost	

# **ARAW MATERIALS:**

RAW MATERIAL COST	

Raw Material Cost for Production of one pack (Rs.)	
Total Number of units to be produced (Yearly)	
Total cost of raw material (Rs.)	

# **Power Requirements:**

The total power consumption per month will be 5000 Kw-hr, 6 hours per day at Rs.10 per unit.

The total cost of power will be 50,000 per month.

# **Water Requirements:**

10 kiloliters per day or 250 kiloliters per month. At tariff of Rs. 20 per kiloliters the total cost of procuring water would be Rs. 4000 per month.

# **HUMAN RESOURCE PLANNING**

♣ Our company will be following a horizontal organizational structure. The employees will be paid on monthly basis and the salary will be fixed for the month.

Employees	Salary (Rs.)	Number OF Workers	Total Salary Monthly (Rs.)	No. of Months	Yearly Salary (Rs.)	
		PRODUCTION U	NIT			
Production manager		1		12		
Production Line		3		12		
QA QC		2		12		
	MARKETING AND SALES					
Marketing Manager		1		12		
Sales Team		5		12		
LABOUR						
Unskilled Workers		3		12		

Driver (Transportation)	2	12	
Total			

# **ENVIRONMENTAL SCAN PESTLE ANALYSIS**



# **♣** Political:

An expanded level of government bolster for the residential nutraceutical industry is vital. In specific, expanded subsidizing for R&D on the therapeutic properties of neighborhood plants and herbs is required.

### Economical:

This gives the opportunity for locally delivered nutraceuticals to possess a specialty showcase and gain expanded income. Nutraceutical items made utilizing innate plants extricates can be attractive on a universal level, in the event that the well-being from the utilize of these inborn

plants and legitimately advanced. A few customers may select not to buy nutraceuticals items, which can be more costly than conventional forms of these same items.

#### Social:

Buyers are progressively being drawn towards wellbeing awareness cognizant way of life changes, coming about in expanded request for nutraceuticals. In specific, a current drift among customers is to require preventive activity to play down the plausibility of wellbeing issues.

Many customers in this manner favour to utilize nutraceuticals items instead of pharmaceutical drugs

#### Technological:

Without noteworthy government money related back, the industry may not create to its full potential. Private companies may not be willing to contribute in tall levels of R&D due to the tall budgetary costs of locks in such exercises.

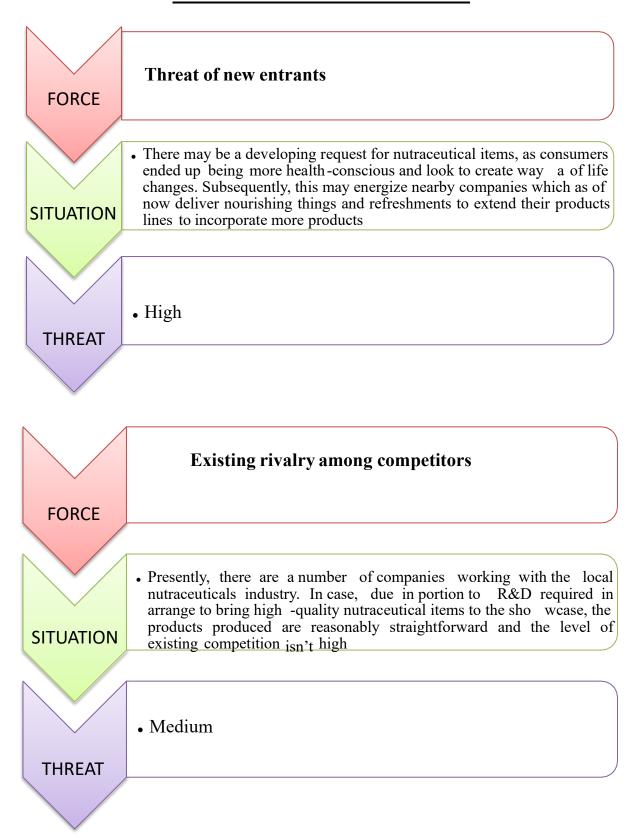
## **∔** Legal:

Local nutraceutical items can be made to fulfill these benchmarks. Fair Trade Organic Certification would permit the country's items to have a competitive edge in abroad markets.

#### Environmental:

This gives opportunities for indigenous plants to be utilized to their full potential.

## PORTER'S FIVE FORCES MODEL



	Threat of substitutes
FORCE	
SITUATION	Domestic companies creating nutraceutical confront competition from conventional products, as well as conventional pharmaceuticals, noteworthy part of domestic consumers still doesn't buy nutraceutical Right now, nutraceuticals products tend to be more costly the conventional products. This may discourage a few buyers
THREAT	• High
FORCE	Bargaining power of suppliers
SITUATION	<ul> <li>Local nutraceutical products may depend very intensely on rural item In this way, providers do have a few bartering control withing the showcase.</li> </ul>
	• Medium
THREAT	

# **Bargaining power of buyers FORCE** • Customers may be hesitant to believe the quality of locally produced nutraceuticals. Instep, they may put more certainty inbrands. This would lead to a need for buyer requests for locally delivered products. Besides, shoppers who do select to buy local things may be hesitant to pay higher costs. These issues might compel locals to reduce their SITUATION prices. • High **THREAT**

### **SWOT ANALYSIS**

# Strengths

Increases demand for nutraceuticals as customers got to be more health conscious & look for to create way of life changes. Accessibility of nearby restorative plants from which special local items can be created

#### Weakness

• Stringent regulatory guidelines to be followed, high cost of start-up and hesitance of customers to believe within the quality of locally produced nutraceuticals. Hesitance of shoppers to pay higher costs for locally produced nutraceuticals.

# **Opportunities**

• Potential market penetration regionally and in international markets. R&D investments in the nutraceutical market as it has potential to grow. Increasing interest among the people for healthy lifestyle through consumption of natural extracts.

#### **Threats**

Presence of various well-established brands in the market.

# **MARKETING MIX**

#### **PRODUCT**

The product will be made of high-quality raw material and will be of having highest quality with active ingredient as Tulsi Extract with 2% Ursolic acid (3.8 mg) present in the extract of the aerial part Tulsi herb with most high-quality herbs which will benefit the health of the audience. The product will be available in a convenient pack containing 60 capsules of 500mg



#### **PRICE**

The product will be priced at 700 RS. For a pack of tablets with 60 tablets in each pack. The pricing strategy here is on the basis of competitive pricing.



#### **PLACE:**

The product will be initially available in Tier 1 and Tier 2 cities like **Pune**, **Mumbai**, **Nashik**, **Satara**, **Kolhapur and others** in the retail shops. The product will also be available on online portals.

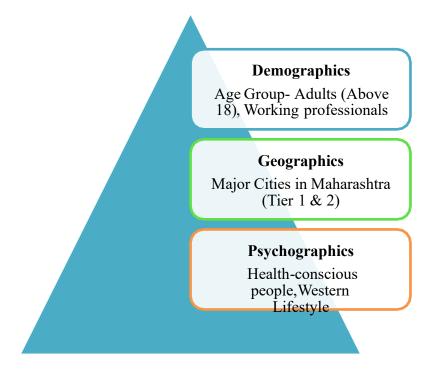


#### **PROMOTION:**

The promotion for the product will be done by our sales team in the Tier-1 and the Tier-2 cities. Along with the sales team online platforms will also be used for digital marketing of the product. The digital marketing of will be outsourced later if needed.

#### **SEGMENTATION, TARGETING & POSITIONING:**

#### • <u>SEGMENTATION</u>



Working professionals belonging to age group 18 and above

#### • TARGET MARKET

Major Cities in
Maharashtra (Tier 1 &
2) like Pune,
Mumbai, Nashik,
Satara, Kolhapur and

# **PRODUCT POSITIONING:**



- The product will focus on the well-being of people
- It will be positioned as a premium brand, offering complete health benefits to the consumer

Our product will be positioned as "NutraHealth Tulsi for Immunity"

# **FINANCIALS**

# **Means of Finance:**

Total Expense:

Equity

Bank loan @ 12 % interest (80%):

# **CAPITAL EXPENDITURE:**

CAPITAL EXPENDITURE				
PARTICULARS	AMOUNT			
Land & Building (Rent+ Land Development Cost)				
Plant & Machinery				
Misc. fixed assets				
(Power connections, water supply, electrical fittings, office supplies)				
TOTAL				
PREOPERATIVE EXPENSES				
Pre-Operative Costs				

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# **OFFICEEXPENSES:**

OFFICE EXPENSES	
Office Furniture	
Desktops	
Printer	
Stationery	
TOTAL	

# **<u>UTILITIES:</u>**

REQUIRED UTILITI	S
PARAMETERS	AMOUNT (Rs.)
Electricity (5000 Kw-hr @ Rs. 10 per unit)	
Water Supply (250 kilolitres @ Rs. 20 per litre)	

TOTAL UTILITIES (Woorly)	
TOTAL UTILITIES (Yearly)	

**WORKING**<u>CAPITAL:</u>

	URNOVER PER	YEAR	
Product	No. of Packs	Rate (Rs.)	Value (Rs.)
NutraHealth Tulsi			

# **TOTAL**

WORKING CAPITAL	
PARAMETERS	AMOUNT (Rs.)
Raw Material	
Packaging Material	
Salaries	
Utilities	
Supply and Distribution	
Repairs and maintenance	
Insurance	
Miscellaneous	
TOTAL	

# **↓ ↓** <u>TURNOVER:</u>

# PROJECTED PROFITABILITY STATEMENT (In Rs.)

Particulars	FY-1	FY-2	FY-3
A. Turnover			
B. Cost of Production			
Raw Materials			
Packing Materials			
Salaries			
Office Expenses			
Preliminary and Pre-operative Expenses			
Utilities			
Repairs and Maintenance			
Supply and Distribution			
Insurance			
Total Expenses			
PBDIT			
Dep. Of P&M @ 10%			
Interest on loan @ 12%			
Net Profit (PBT)			
Tax @ 25%			
PAT			

#### **FUTURE PLANS**

- To introduce a complete **Nutraceutical Traditional Herbs Range** by introducing nutraceuticals from Ashwagandha, Bramhi, Mulethi
- ♣ Increase the production of capsules and Increase in production facility to 6,000 sq ft.
- ♣ To expand our sales and marketing team based on the performance of our product in the market
- ♣ To penetrate into the market by targeting more territories

# **EXIT STRATEGY**

- ♣ If our strategies don't work, we will consider Merging with Another Company: To combine the business with another company to gain the benefits and stay in the industry
- ♣ In future if there is a possibility that the business is not succeeding, then we can sell off our assets to the big players in the nutraceutical market

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